

Message Text

UNCLASSIFIED

PAGE 01 TUNIS 01197 190753Z

ACTION OPIC-06

INFO OCT-01 NEA-10 ISO-00 EB-08 /025 W

-----190938 110051 /22

R 190728Z FEB 77

FM AMEMBASSY TUNIS

TO SECSTATE WASHDC 5827

UNCLAS TUNIS 1197

DEPT PASS OPIC/KRAMISH

E.O.11652: N/A

TAGS: EINV TS

SUBJECT: EVALUATION OF TECHNOLOGY TRANSFERS AND CONTRI-
BUTIONS IN-KIND

REF: 76 STATE A-5760

1. WE HAVE DISCUSSED QUESTIONS POSED IN REFERENCED AIRGRAM WITH SLAHEDDINE PACHA, DEPUTY DIRECTOR OF TUNISIAN INVESTMENT PROMOTION AGENCY (API), AND ARE PERSUADED THAT GOT PAYS CLOSE ATTENTION TO COST AND NATURE OF TECHNICAL ASSISTANCE AND ESPECIALLY CONTRIBUTIONS IN-KIND MADE BY FOREIGN INVESTORS.

2. PACHA NOTED THAT CREDITING OF VALUE OF TECHNOLOGY OR TECHNICAL ASSISTANCE TOWARDS CAPITAL VALUE OF A FOREIGN INVESTMENT IN TUNISIA AS NOT COMMON PRACTICE. WHEN RIGHTS TO INDUSTRIAL PROPERTY ARE TRANSFERRED OR ACQUIRED BY AN INVESTOR, API IS CAREFUL TO VERIFY VALUE ON BASIS OF DOCUMENTED TRANSACTIONS IN OTHER COUNTRIES. IF NECESSARY, OPINION OF OUTSIDE EXPERTS IS SOUGHT. (CAPITALIZATION OF TECHNOLOGY TRANSFER APPARENTLY HAS OCCURRED IN CASES OF A FEW JOINT VENTURES - WE WILL SEEK FURTHER PARTICULARS.) MORE USUAL COMPENSATION FOR INDUSTRIAL PROPERTY IS IN FORM OF ROYALTIES, WHICH ARE CLOSELY SCRUTINIZED AND SUBJECT TO SECTORAL LIMITS IMPOSED BY CENTRAL BANK AS A PERCENT OF REVENUES.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 TUNIS 01197 190753Z

3. PACHA SAID GOT IS QUITE RESTRICTIVE IN RESPECT TO USED EQUIPMENT CONTRIBUTED TO INVESTMENTS. APART FROM REQUIRING THAT EQUIPMENT NOT BE OVER FIVE YEARS OLD AND BE OPERATED ACTIVELY IN TUNISIA FOR AT LEAST ONE YEAR, GOT REQUIRES THAT PRICE ATTRIBUTED TO USED EQUIPMENT NOT EXCEED ONE-THIRD OF DOCUMENTED COST OF COMPARABLE NEW EQUIPMENT.

4. PACHA EXPLAINED THAT API HAS STRONG MOTIVATION TO CHECK COSTS AND QUALITY OF TECHNOLOGY AND EQUIPMENT INPUTS. APART FROM WISHING TO LIMIT FOREIGN INVESTORS' CLAIM TO ULTIMATE REPATRIATION OF INVESTED CAPITAL, BASIC MOTIVATION OF API IS TO INSURE THAT FOREIGN INVESTMENT IN TUNISIA IS ON VIABLE AND DURABLE BASIS.
KING

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TECHNICAL ASSISTANCE, FOREIGN INVESTMENT, TECHNOLOGICAL EXCHANGES
Control Number: n/a
Copy: SINGLE
Sent Date: 19-Feb-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TUNIS01197
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770059-1159
Format: TEL
From: TUNIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770223/aaaaausf.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c452f2c3-c288-dd11-92da-001cc4696bcc
Office: ACTION OPIC
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 STATE A-5760
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 08-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3272010
Secure: OPEN
Status: NATIVE
Subject: EVALUATION OF TECHNOLOGY TRANSFERS AND CONTRI- BUTIONS IN-KIND
TAGS: EINV, EAID, TS, (PACHA, SLAHEDDINE)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/c452f2c3-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009